

**10/18/77 [2]**

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THE WHITE HOUSE  
WASHINGTON

October 18, 1977

Bob Lipshutz  
Hamilton Jordan

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Jim Gammill

RE: CIRCUIT COURT JUDGE NOMINEE--  
GILBERT S. MERRITT

THE WHITE HOUSE  
WASHINGTON

*Admin  
conf*

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
/		JORDAN
/		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		LANCE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
/	KING <i>garnell</i>

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE  
WASHINGTON

10/17/77

Mr. President:

No comment from Hamilton.

Rick

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

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for Preservation Purposes

October 14, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Robert J. Lipshutz *RJL*  
SUBJECT: Circuit Court Judge Nominee -- Gilbert S.  
Merritt (Tennessee)

Attached is a memorandum to you from the Attorney General, along with a proposed letter from him to Senator Eastland.

I agree with the recommendation made by the Attorney General that you not withdraw this nomination because of the circumstances set out. In our own campaign, we had the question arise regarding contributions by minor children. The Federal Election Commission, in fact, criticized one source of such contributions, Mr. Herzog from California, and because of the very young age of the contributors (including pre-school age) we rebated such contributions on the grounds that the children were too young to make an independent judgement.

The basic guidelines which the Federal Election Commission appears to have adopted in cases such as these are:

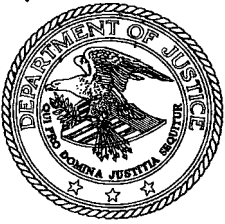
1. That the contribution must come from the funds of the children themselves.
2. That the children themselves must be of sufficient age to make an independent judgement and, in fact, must have agreed to make the contribution.

The information obtained by the Attorney General regarding Mr. Merritt indicates that both of these guidelines have been met and, therefore, that there does not appear to have been any violation of the law in this instance. Therefore, I concur with the recommendation of the Attorney General.

Please advise if you approve the Attorney General's sending the attached, proposed letter to Senator Eastland.

APPROVE ✓

DISAPPROVE \_\_\_\_\_ *I*



Office of the Attorney General  
Washington, D. C. 20530

October 13, 1977

MEMORANDUM FOR THE PRESIDENT:

Re: Circuit Judge nominee, Gilbert S. Merritt

You recently nominated Mr. Merritt to a position on the Sixth Circuit Court of Appeals. His nomination is pending. After the nomination, it came to our attention that Mr. Merritt may have violated the federal election laws through donations to the campaign of Senator Sasser by Mr. Merritt's young children.

I recommend that we not withdraw this nomination but, instead, fully advise the Judiciary Committee through Senator Eastland of all of the circumstances involved in the donations including the FBI investigation and the investigation by our Criminal Division. I attach a letter to Senator Eastland making this disclosure.

You may wish to withdraw the nomination in spite of my recommendation and for that reason I will not send a letter to Senator Eastland until I receive your approval.

Respectfully,

Griffin B. Bell

Enclosure



Office of the Attorney General  
Washington, D. C. 20530

Honorable James O. Eastland  
Chairman  
Committee on the Judiciary  
United States Senate  
Washington, D. C.

Dear Mr. Chairman:

In connection with the nomination of Gilbert Stroud Merritt to be United States Circuit Judge for the Sixth Circuit, we conducted a full field background investigation on August 12, 1977.

On August 28, 1977, an article appeared in the "Commercial Appeal", a Memphis, Tennessee newspaper, to the effect that Mr. Merritt's three children, ages 10, 11 and 12, had each made contributions of \$1,000 to the 1976 General Election campaign of Tennessee Senator James Sasser. These contributions were in addition to a \$1,000 contribution which Mr. Merritt had given to Senator Sasser himself.

In view of the prohibition contained in the Federal Election Campaign Act against any one person contributing more than \$1,000 to any one Federal candidate (2 U.S.C. 441a), the prohibitions against giving political contributions to Federal candidates in the names of other persons (2 U.S.C. 441f), and the tender ages of the three Merritt children, we conducted a preliminary criminal investigation to determine the circumstances surrounding the children's reported political donations. In particular, this investigation was aimed at ascertaining whether the money used for the contributions belonged exclusively to the children, and, if so, whether their decisions to contribute were voluntary and independent acts.

Mr. Merritt was interviewed twice. He stated that he was well aware of the requirements of the Federal Election Campaign Act, having held responsible fiscal positions with the Tennessee Democratic Party and the 1976 campaign of President Carter. In this regard, he advised that the funds used to make the children's contributions came from a lock box that contained cash which had been accumulated for the children by their mother and left to them when she died in July, 1973. Further, he advised that Senator Sasser was in need of campaign funds in September, 1976, and that on the weekend of September 18, 1976, Merritt and his children had a discussion concerning Sasser's campaign and his need for funds. According to Mr. Merritt, Senator Sasser had been a long and personal friend of the Merritt family, and was personally known and admired by all three of his children. Merritt claims that during this discussion the children all agreed to make donations from the cash in the lock box, and he advised them that the most they could give was \$1,000, and that all three agreed to contribute this maximum amount. On September 20, 1976, following this discussion, Mr. Merritt claims to have taken \$3,000 of the approximately \$4,000 then in the lock box to the Harpeth National Bank in Franklin, Tennessee, where each child had a personal savings account. One thousand dollars was deposited into each of the three accounts, and the bank then issued three cashiers checks, on the three accounts, one in each child's name, and each in the amount of \$1,000. After endorsing the checks as the children's guardian, Mr. Merritt delivered them to Senator Sasser's campaign committee. The Bureau has examined the lock box, and found it presently to contain \$40.00.

Finally, the Bureau has interviewed the three Merritt children, all of whom acknowledged the existence of the lock box and their ownership of the funds in the box. The children confirmed that they knew Senator Sasser, that he was a friend of their father's and a visitor to their home; that their father had explained Mr. Sasser's need for cash, and that they had agreed to contribute money to his campaign. Stroud, the eldest son, first volunteered to make a contribution, and his younger brother and sister followed suit. All three children claimed to have volunteered to make the contributions.

On the basis of the foregoing investigation, the Criminal Division has determined that any violation of the Federal Election Campaign Act which may have been technically committed here was not done in the "willful" manner required to support a prosecution



under the Act's criminal penalty section (2 U.S.C. 441j). Accordingly, the matter has been closed in the Criminal Division.

I trust that this information will be useful to you and your committee.

Sincerely,

Griffin B. Bell  
Attorney General

THE WHITE HOUSE  
WASHINGTON  
October 17, 1977

Hamilton Jordan

The attached will be submitted  
to the President. This copy  
is forwarded to you for your  
information.

Rick Hutcheson

RE: CIRCUIT COURT JUDGE NOMINEE  
Gilbert Merritt (Tennessee)

THE WHITE HOUSE  
WASHINGTON

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	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
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	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE  
WASHINGTON

October 18, 1977

The Vice President  
Hamilton Jordan

The attached was returned in  
the President's outbox. It is  
forwarded to you for your  
information.

Rick Hutcheson

RE: MEETING WITH RUSSELL LONG AND  
THE ENERGY BILL

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
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	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

6:00 p.m.

THE PRESIDENT HAS SEEN.  
THE WHITE HOUSE

WASHINGTON

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October 17, 1977

*C*

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE *FM*  
DAN TATE

SUBJECT:

Russell B. Long and the Energy Bill

Senator Long predicted trouble for the oil and gas users' tax and the Crude Oil Equalization Tax (COET) before his Committee began hearings. During the public hearings, only Secretaries Schlesinger and Blumenthal testified in favor of these proposals. Consumer groups, the AFL-CIO, business groups, and the oil and gas industry vigorously opposed them. During the initial executive sessions of the Committee, the Republicans and Senators Bentsen and Gravel opposed COET as passed by the House. The Republican opposition was based on the following factors: (1) They saw an opportunity to beat the President on a major policy issue; (2) They saw COET as a means of continuing "government intervention in the free market," perhaps even after statutory authority for oil controls expires in 1981; and (3) They felt they could get a better deal for the oil industry than the House-passed bill. The latter motive also prompted Senators Gravel and Bentsen, who represent oil producing states, to oppose the House-passed provision. Most other Committee Democrats were against any proposal which would increase consumer prices, especially a tax proposal.

After seeing Bob Byrd's informal poll showing Senate Democrats overwhelmingly against COET and the proposal to rebate tax revenues, Long switches his strategy to that of having his Committee report and the full Senate pass a bare-bones bill stripped of all taxes. He hoped to write the final bill in conference and salvage a modified COET, a boiler tax (instead of the users' tax), and some version of the gas guzzler proposal. He had most Committee Democrats and the three senior Republicans agreeing with this strategy, but was side-tracked by junior Republicans who feared that they would not be chosen as conferees and thus felt their mark must be made on the Senate bill. Senator Packwood exhorted the Committee to write its own bill which would meet your national energy goal of reducing imports by approximately 2 million barrels a day by 1985. Senator Matsunaga immediately made a motion, which was overwhelmingly adopted, to meet your goals through tax reductions, credits, and other incentives. As a result of the Packwood-Matsunaga motion, the Committee embarked on its spree of tax credits.

The Committee will order the bill reported this week and floor action will begin the week of the 24th. There is a very good chance of a filibuster on the Finance Committee's bill -- Senator Hollings has already threatened such a move. In addition, the Republicans will probably demand votes on the Crude Oil Equalization Tax, the gas guzzler tax, and the oil and gas users' tax for the purpose of defeating them by overwhelming margins. At this stage, the most we can reasonably hope for is Senate passage of the Finance Committee bill without more tax credits being added.

In conference Long still expects to write a bill which contains a modified COET, a boiler tax, and a gas guzzler tax. However, he will attempt to work in the tax credits; for example, he is now toying with the idea of imposing a 20% tax penalty for industrial oil and gas users who refuse to convert and a 20% tax credit for those who do convert. Additionally, he will want to establish a trust fund for any revenues which may result from taxes imposed and an RFC-type board to disburse the monies through loan guarantees and subsidies for energy production, research, and development projects.

Long feels that organized labor's opposition can be neutralized if the energy package is sold as a jobs-creating bill. He is already telling the press that he envisions 1½ - 2 million new jobs, paying from \$12,000 to \$18,000 per year in the energy field. He says that the prospect of creating such a vast number of good jobs should overcome labor's previous objections to our tax proposals which were founded on the likelihood of significant consumer price increases.

Finally, as reported to you earlier, Long believes that the only chance of getting the Crude Oil Equalization Tax (even if modified and coupled with tax credits) rests on the use or threatened use of your Presidential authority to impose oil import fees. As the situation now stands, Senator Kennedy and most other Northeastern Senators oppose COET in any form, and Long believes that they would support COET only as the lesser of two evils.

You may want to use this afternoon's meeting to let Long tell you his views on Senate floor action and where he hopes to end up after the conference.

2:30 PM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 17, 1977

MEETING WITH AMORY LOVINS

Tuesday, October 18, 1977

2:30 p.m. (10 minutes)

The Oval Office

From: Stu Eizenstat  
Kitty Schirmer

Stu

I. PURPOSE

To discuss Mr. Lovins' concept of a "soft" energy path.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: Mr. Lovins, a physicist, is a principal spokesman for use of "soft" technologies to meet our energy needs. An article published in Foreign Affairs last October, entitled "Energy Strategy: The Road Not Taken", has aroused considerable interest in Congress in the environmental community and among consumer groups. Last June, he published a book, "Soft Energy Paths", further outlining his themes.

Mr. Lovins believes that reliance on capital intensive, high technology energy sources will bankrupt our economy. He argues that simpler, decentralized technologies can provide needed energy without exhausting capital which is needed in other sectors. He looks to conservation, cogeneration, and small scale application of solar, geothermal and other renewable resources as the means to meet our energy needs. He contends that many of these technologies are available today.

He is especially critical of nuclear power and synthetic fuel technologies as examples of the capital intensive strategies which we simply cannot afford in the longer run.

Mr. Lovins is affiliated with Friends of the Earth and lives in England. He has done consulting work with a number of governments on how his strategies might be applied.



- B. Participants: Amory Lovins, Stu Eizenstat, Kitty Schirmer
- C. Press Plan: To be coordinated with the Press Office

### III. TALKING POINTS

- . Your estimates of the capital requirements of "hard" energy technologies have received intensive analysis in both the public and private sectors. How well have your estimates stood up?
- . The Congress and the public are generally supportive of renewable technologies, but have reservations about their workability in the short term. What examples of "soft path" technologies can you point to which are ready for application today? How quickly could these be put into use, and what level of contribution to overall energy supply could they make?
- . How should the government's policies be designed to best encourage acceptance and use of decentralized and small scale technologies?

THE WHITE HOUSE  
WASHINGTON  
October 18, 1977

Administrator Campbell

The attached was returned in the President's outbox today and is forwarded to you for your information and appropriate handling. Jim McIntyre has also been provided with a copy of the memo. The original of the memo was forwarded to the Chief Executive Clerk for delivery and distribution.

Rick Hutcheson

RE: FEDERAL INCENTIVE AWARDS  
PROGRAM

THE WHITE HOUSE  
WASHINGTON

October 18, 1977

Jim McIntyre  
Jim Fallows

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling. Chairman Campbell has also been provided with a copy. The signed original has been given to Bob Linder for distribution.

Rick Hutcheson

cc: Stu Eizenstat     Bob Linder  
     Jack Watson  
     Tim Kraft

RE: FEDERAL INCENTIVE AWARDS PROGRAM

THE WHITE HOUSE  
WASHINGTON

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procedures*

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/	FROM PRESIDENT'S OUTBOX
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ACTION  
FYI

*Campbell*

	MONDALE
	COSTANZA
/	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
/	WATSON
/	<del>LANCE</del> TM
	SCHULTZE

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	SCHNEIDERS
	STRAUSS
	VOCRD E
	WARREN

THE WHITE HOUSE  
WASHINGTON

10/17/77

Mr. President:

Eizenstat concurs. Watson and Powell have no comment.

Jim Fallows edited the proposed presidential memorandum.

Tim Kraft recommends that you award 5 rather than 15 awards annually, at a 15 minute ceremony. He suggests that it would be difficult for you to say something meaningful about each recipient if as many as 15 awards were given out at one ceremony.

Rick



UNITED STATES CIVIL SERVICE COMMISSION

IN REPLY PLEASE REFER TO

WASHINGTON, D.C. 20415

YOUR REFERENCE

MEMORANDUM FOR THE PRESIDENT

OCT 13 1977

Since its inception, the Federal Incentive Awards Program has played an important role in stimulating significant improvements in Government and its service to the people through constructive ideas, inventions, and other contributions of Federal employees. It has also served as a vehicle through which employee contributions are directed toward solving problems of national concern. During the 23 years that this program has been in effect, it has produced benefits to the Government of over \$4.5 billion, and such achievements as development of a highly advanced submarine sonar targeting and detection system, a new technique for testing visual acuity in small children or the linguistically handicapped, and a revolutionary process for extracting gold and other precious and scarce metals from previously unyielding ores.

The law under which the incentive awards program operates provides that the President may grant recognition to employees, in addition to awards made by departments and agencies. Until now, use of this option has been extremely limited. However, we believe that the opportunity to receive personal recognition from their Chief Executive would be a powerful motivator if extended to Federal personnel, and that granting such recognition through the Federal Incentive Awards Program would provide a unique opportunity for you to recognize Government personnel in greater numbers and at all grade levels. Therefore, we propose that you establish a Presidential-level program, with the expressed purpose of personally recognizing significant ideas and improvements in Government operations and delivery of services. We believe it would be especially timely if such a program were to highlight contributions in the field of energy conservation.

In the past, Presidential Management Improvement Awards, consisting of plaques and certificates, were granted to a limited number of individuals or groups whose actions or ideas most improved operating effectiveness or reduced costs within the Government during the preceding year. Nominations were made by agency heads in response to an annual invitation. The proposed program discontinues this annual solicitation of nominations and incorporates Presidential Management Improvement Awards into a continuing Presidential recognition program which would extend to Federal personnel even at the lowest levels of Government service.

## PRESIDENTIAL RECOGNITION FOR IMPROVEMENTS IN GOVERNMENT

### Objectives:

- 1) Increase employee involvement in improving Government operations through ideas, inventions, and performance beyond job requirements;
- 2) Emphasize the need for all Federal personnel to actively participate in achieving Presidential goals and objectives through their ideas, as well as other actions;
- 3) Increase tangible benefits to the Government recognized through the Government's Incentive Awards Program (\$386.3 million in first year tangible benefits in Fiscal Year 1976);
- 4) Demonstrate the President's interest and confidence in the abilities of members of the Federal career service.

### Recognition:

Personally addressed letters, signed by the President. (Estimate 3,500 letters annually). A very limited number of Presidential plaques (not more than 15) for the most outstanding achievements and certificates for lesser contributions.

### Eligibility:

Federal civilian and military personnel whose suggestions, inventions, or other achievements, that have received recognition under the Government Incentive Awards Program, result in agency certified benefits of \$5,000 or higher. Also, Federal civilian and military individuals, groups, or organizations whose ideas, inventions, or achievements have received monetary or honorary recognition under the Government-wide Incentive Awards Program and which are evaluated by the agency as being especially significant.

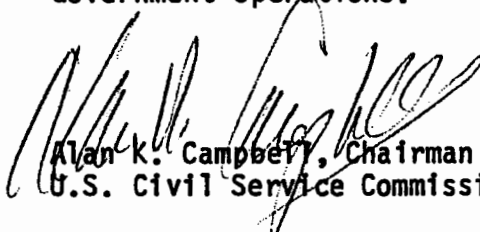
### Procedures:


- 1) Agencies approve, certify, and forward recommendations under agency head's signature, to the White House;
- 2) White House logs correspondence and forwards to the Civil Service Commission for verification (application of criteria and check with agencies, as necessary);
- 3) Civil Service Commission returns correspondence to the White House with recommendations;
- 4) Final letters of commendation prepared for Presidential signature (prototype letter suggested for use in all but highly exceptional cases);

Attached is an outline of a proposed program to begin November 1, 1977, which provides for a personal letter, signed by you, to be sent on a continuing basis to individuals or groups whose contributions merit such recognition. In January 1978, and annually at that time thereafter, not more than 15 of the most exceptional contributions would be recommended to receive Presidential Management Improvement Award plaques. Eligibility for the 1977 awards would include contributions approved by agencies after January 1, 1977. The plaques would be presented to the recipients by you personally in a ceremony at the White House.

Also attached is a draft announcement of the program to agency heads. The Civil Service Commission and the Office of Management and Budget will be pleased to assist with promotion and publicity and to provide necessary administrative support.

We are confident that a program of this nature will be of significant value in achieving your stated goal of enlisting the minds and efforts of the entire Federal work force in searching for ways to improve Government operations.

  
Alan K. Campbell, Chairman  
U.S. Civil Service Commission

  
James T. McIntyre, Jr., Acting Director  
Office of Management and Budget

Attachments

Approved:  \_\_\_\_\_

Disapproved: \_\_\_\_\_

*Let's do it the  
first year -  
J*

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- 5) White House forwards signed letters to agencies for presentation at local ceremonies at employees' worksites;
- 6) Civil Service Commission and agencies publicize outstanding achievements;
- 7) At the close of each Fiscal Year, all case documentation would be screened and agencies would be requested to provide additional information for those to be considered for Presidential Management Improvement Awards.
- 8) Final screening would be made by OMB and CSC and recommendations for awards forwarded to the White House.
- 9) The President would present the awards at a brief White House ceremony to be held early in the calendar year.

Program Announcement:

- 1) Presidential memorandum to agency heads;
- 2) White House Press Release;
- 3) Civil Service Commission Bulletin to agencies to provide operating instructions for the program.

Program Evaluation:

The Office of Management and Budget and the Civil Service Commission will summarize and evaluate the results and make recommendations, as appropriate, at the end of Fiscal Year 1978.

THE WHITE HOUSE

WASHINGTON

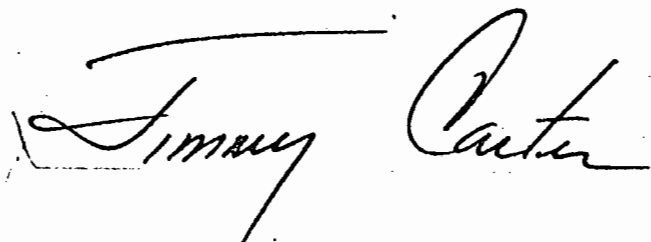
MEMORANDUM FOR THE HEADS OF

DEPARTMENTS AND AGENCIES

If we are to improve the quality and performance of our government, we must involve all government employees in that task. We need their determination, their energy, and their ideas to set high standards and see that we meet them. One way to give public employees a greater stake in the government's performance is to recognize those who have made exceptional contributions -- especially, these days, in the crucial area of energy conservation.

I intend to recognize these major contributions myself, to illustrate the importance I attach to them. Therefore, I want you to bring to my attention contributions by civilian and military personnel, recognized through awards made under the Federal Government's Incentive Awards Program since January 1, 1977, which produce first-year benefits of \$5,000 or more. I also intend to recognize energy-saving actions, when you are satisfied that they are especially significant and deserve additional recognition. The best of these contributions will be considered for Presidential Management Improvement Awards, to be presented at a White House ceremony early next year.

I urge you to give your full support to this special effort. I ask that you review the structure and processes within your agency to ensure that they encourage your employees to develop and propose innovative ideas. In order that this effort, and my interest in its success, be made clear, I want you to convey this message to all civilian and military personnel along with your own expression of the need for their personal involvement.

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is written in a cursive, flowing style. The first name "Jimmy" is written with a large, sweeping initial "J" that extends over the word "Carter". The last name "Carter" is written in a similar cursive style. The signature is positioned in the lower right quadrant of the page.

THE WHITE HOUSE  
WASHINGTON  
October 18, 1977

Richard Pettigrew

The attached was returned in the President's outbox today and is forwarded to you for your information and appropriate handling. The signed original has been given to Bob Linder for delivery.

Rick Hutcheson

cc: The Vice President  
Stu Eizenstat  
Frank Moore  
Jody Powell  
Jim McIntyre  
Barry Jagoda  
Bob Linder

RE: SURVEY OF CONGRESSIONAL CONSTITUENT  
PROBLEMS

B. Presidential Involvement

The political and media opportunities suggest that you be directly involved in the follow-up. Your participation would underscore two important themes:

- . Close congressional consultation and involvement is desirable and productive.
- . Organizational and process reforms can address the real everyday needs and concerns of people.

I recommend that you pursue the following:

1. Issue a formal directive asking that all agencies report to the Office of Management and Budget on what actions they have taken already, or believe should be taken, to deal with identified problems. This information should be included as part of their regular monthly reorganization progress reports which are due December 5.

Agree ✓

Disagree \_\_\_\_\_

2. Applaud Congress for its constructive cooperation and report directly to them the Administration's directive to the various departments. Arrangements would be worked out with Frank Moore.

Agree ✓

Disagree \_\_\_\_\_

3. Personally announce the results of this survey, emphasizing the extent to which Congress itself has now acknowledged the need for comprehensive administrative reform. Arrangements would be worked out with Jody Powell as well as Barry Jagoda. (Barry is very enthusiastic about the TV opportunities here.) Prior to any such announcement, all affected agencies will receive a complete copy of the survey responses and be asked to provide initial comments.

Agree ✓

Disagree \_\_\_\_\_

*Fitz may do this*  
J

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE HEADS OF

EXECUTIVE DEPARTMENTS AND AGENCIES

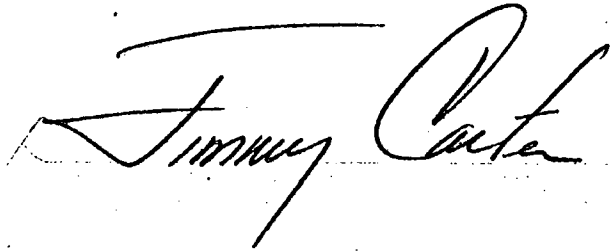
SUBJECT: Survey of Congressional Constituent Problems

Senators and Congressmen devote a good portion of their time and staff resources, as you know, to helping individual constituents deal with government agencies. Richard Pettigrew, my Assistant for Reorganization, recently conducted a survey of Senate and House offices aimed at identifying those areas of government causing constituents the most problems. This survey has yielded a wealth of information on the daily concerns of both the Congress and the average citizen in dealing with their government.

Responses received so far reflect a strong consensus as to the need for improved program effectiveness in particular areas. They provide us a unique opportunity to improve government's competence in serving the average citizen. They suggest problems, moreover, which are historic in nature and predate this Administration. These problems affect the daily lives of millions. The success we have in dealing with them will therefore bear substantial benefits for great numbers of people. For this reason, their correction deserves priority attention.

By its very nature, congressional casework highlights trouble spots and may not present a full picture of agency performance. I am aware too that departments and agencies are already taking action to address problems identified in the survey. Some of these problems may be beyond agencies' immediate control and have a statutory basis. Because these complaints involve the direct, day-to-day dealings of average citizens with their government, however, I would like to report to the public and the Congress as soon as possible on the steps we are taking to address them.

Please report to the Office of Management and Budget the efforts you now have underway, or the specific efforts you plan to take, to address those complaints involving your agency. This information should be included as part of your regular monthly reorganization progress report which is due December 5.

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the main text block.

THE WHITE HOUSE  
WASHINGTON

October 18, 1977

Hamilton Jordan

The attached was returned in  
the President's outbox. It is  
forwarded to you for your  
information.

Rick Hutcheson

cc: Stripping

RE: LETTER TO PHILIP ALSTON, JR.

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
/	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

*send out - no other  
copies*

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



THE WHITE HOUSE  
WASHINGTON

10-18-77

To Philip Alston, Jr.

I appreciated your phone call and your very descriptive letter, which I will use when the time arrives. For this year while the FY 1979 budget is being prepared I'll keep my present team.

Give my love to Elkin - from all of us. Mother is travelling with the Dodgers until the Series is over.

Jimmy



EMBASSY OF THE  
UNITED STATES OF AMERICA  
APO San Francisco 96404

*Handwritten signature*

October 11, 1977

Mr. President:

It gave me great pleasure to speak with you last evening -- 9 p.m. here and 7 a.m. in Camp David.

I called to suggest a prospect for Director of OMB, in the event that position has not been filled. You asked that I put the suggestion in writing, and that is the purpose of this letter.

My nominee is Wilton Looney of Atlanta. I know him well, know his general reputation, not only in the community in which he lives but as well in the automotive parts industry where he is, at least, a recognized leader of National Automotive Parts Association (NAPA). I commend him to you, without reservation, as a man of character and ability, with a reputation and track record that will withstand the most careful scrutiny.

Wilton is about 55; happily married to a lovely lady; a Christian gentleman who expects to achieve salvation as a Baptist; a successful and enterprising businessman; and one who has evidenced a full commitment to his fellow-man, both as an individual and for his corporation.

Wilton I believe to be a man of "some means" and his alliances are national in scope. I know that he has turned down many opportunities to serve as a director for important corporations in order to devote his time and attention to his primary interests. But he is, in addition to being Chairman and Chief Executive Officer of Genuine Parts and as said a force in NAPA, on the Board of Trust Company of Georgia where he sits on its Executive Committee and on the Board of Agnes Scott. There are other responsibilities that do not come to mind. He has either headed or participated in every worthwhile activity that I've seen cross the scene, including United Appeal and Rotary.

It's important that I say to you that Wilton does not know that his name is being proposed, and I have no idea that he could accept if asked. He is, however, of such a caliber that he would find it very hard to say no to the President. Incidentally, I do not know for a fact about Wilton's politics, but I would suppose he might be classed a conservative -- whatever that means. It is not an ugly word in my book. I believe the record will show that he made the maximum contribution -- \$1,000 -- to your campaign, and that his company made at least one loan, \$5,000, to help finance the inauguration. I would not claim that he gave his support to Jimmy Carter with the same degree of enthusiasm as did some of your very ardent supporters. It might even be said that he gave his support to a fellow Georgian -- that is a perfectly valid reason so far as I am concerned.

The only distribution this letter will have will be by a copy to Alex Gaines who is Wilton's lawyer and close personal friend. Whether Alex elects to show it to Wilton I've left entirely to his discretion.

Since Bert's resignation, two U.S. business leaders have come to Australia. I've had an opportunity to chat with them. In response to my question about Bert's departure, each of these men has said that the great loss is that today "the business community" no longer feels there is an avenue through which its ideas can reach you. In suggesting Wilton Looney, I make the categorical representation that if you ask him to head OMB and he accepts, the business community will embrace the idea with unreserved enthusiasm. For that matter, I know of no segment of the country that would be in opposition.

Finally, let me say that I would not give you a name if I thought you had made the decision to stay with Jim McIntyre. Jim is first-rate and in time will win the confidence of all of those to whom he is exposed. If he is your choice, I applaud.

Wilton Looney would walk into the job knowing not only the arithmetic and the nuts and bolts of the budget

process, but he would enjoy from his first day the complete confidence of your Cabinet, the business community and the Congress. The grapevine used by all three entities would bring back the same story, which is where I started out. "Wilton Looney is a man of ability and integrity, with a proven track record." He has another quality which needs some emphasis: it is that he has the courage to differ with the President. You need a man who can do just that.

Elkin and I felt much closer to home just hearing you, and you know that not a day goes by you are not in our thoughts and our prayers. Both of us join in love to you and the First Lady. We are proud to represent you.

As ever,



Philip H. Alston, Jr.

P.S. We had a beautiful note from Miss Lillian, which we treasure. She's some gal.



P.H.A., Jr.

The President  
The White House  
Washington, D. C.

MEMORANDUM

THE PRESIDENT HAS SEEN.

11 15 AM

THE WHITE HOUSE

WASHINGTON

C

TO: The President

October 18, 1977

FROM: Walt Wurfel WW

SUBJECT: Your 11:15 meeting today with European businessmen.

This Roosevelt Room meeting has been set up for you to speak briefly and answer a few questions. You are scheduled to spend only 15 minutes with them. They have met before with Dr. Brzezinski who, I understand, has briefed you on what he told them.

Time Magazine set this up through Hugh Sidey and Stan Cloud. Time Publisher Ralph Davidson is the chief corporate official accompanying the two-dozen industrial and financial leaders.

Time calls this tour for the businessmen "Update On America."

Attendees are listed on the attached sheet.

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Peter Macadam	Chairman, British American Tobacco Co., London
Lord Airlie	Chairman, Schroder's Ltd., London
C.C. Pocock	Chairman, Shell Transport & Trading Co., London
Sir James Goldsmith	Chairman, Cavenham Ltd., London (food mfg.)
D. De Bruyne	President, Royal Dutch Petroleum, The Hague
Sergio Orlandini	President, KLM, Amsterdam
F. Hoogendijk	Board of Mg. Directors, The Amro Bank, Amsterdam
Umberto Nordino	Managing Director, Al Italia, Rome
Gen. Jacques Mitterand	Pres., Director General, Aerospatiale, Paris
Gianni Rubatto	Ex. VP, Martini & Rossi, Paris
Alain Chevalier	Vice Chairman and General Manager, Moet-Hennesey, Paris
Patrick Node-Langlois	Sr. VP (North America), Lafarge SA, Paris
Jean-Paul Parayre	President, Peugeot, Paris
Hans Von Harling	Executive Assistant to Chairman of Board, Damlie-Benz, Stuttgart
Eberhard Kuenheim	Chairman, Executive Board, BMW, Munich
Dr. Paul Dax	Executive VP, Siemens AG, Munich
Dr. Konrad Henkel	President, Chief Operating Officer, Henkel KGAA (cleaning products), Dusseldorf
Andre Heiniger	Managing Director, Montres-Rolux SA, Geneva
Hans Bar	Managing Director, Bank Julius Bar & Co., Zurich
Giuseppe Bertola	Chairman of the Board SSIA (watch manufacturers), Bienne, Switzerland
Philippe De Weck	Chairman of the Board, Union Bank of Switzerland, Zurich
Knut Hagrup	President, SAS, Stockholm
Pehr Gyllenhammar	President, Volvo, Gothenburg, Sweden

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James Shepley	President, Chief Operating Officer, Time, Inc.
Ralph Davidson	Publisher of Time; VP, Time Inc.
Charles Bear	Group VP and Secretary, Time Inc.
Arthur Keylor	Group VP, Magazines, Time Inc.
Ralph Graves	Corporate Editor
Henry Grunwalt	Corporate Editor
Murray Gart	Assistant Managing Editor
Hugh Sidey	Washington Bureau Chief
Stan Cloud	White House Correspondent
John Steele	Correspondent
Anthony Ruta	Photographer

9:30 AM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 17, 1977

MEETING WITH CHAIRMAN LUD ASHLEY

Tuesday, October 18, 1977

The Oval Office

9:30 a.m. (30 minutes)

From: Frank Moore *FM.*

I. PURPOSE

To discuss the House and Senate Conference on the Energy Bill with Chairman Ashley.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

Background: Rep. Ashley requested a meeting with the President before the meeting Wednesday with the conferees on the Energy bill. Ashley would like to share his ideas on how best to handle the conferees. He also would like to discuss general strategy on the energy program. Ashley is one of the Co-chairmen of the conference committee (The other two are Al Ullman, Chairman of the Ways and Means Committee, and Harley Staggers, Chairman of the Interstate and Foreign Commerce Committee.) Secretary Schlesinger will be submitting a detailed memo on the status of the House and Senate versions of the Energy Bill today.

Participants: The President, Chairman Ashley, Frank Moore, Bill Cable.

Press Plan: White House photographer only.

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for Preservation Purposes

THE WHITE HOUSE  
WASHINGTON

October 18, 1977

Jim Fallows

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Stu Eizenstat

RE: LOS ANGELES APPEARANCE



THE WHITE HOUSE  
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
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ACTION	FYI	
<input type="checkbox"/>	<input type="checkbox"/>	MONDALE
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<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
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<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE PRESIDENT HAS SEEN.  
THE WHITE HOUSE  
WASHINGTON  
October 18, 1977

*Jim*  
*Light - 9/11*  
*ad lib enough*  
*heavy stuff (Stu*  
*provide brief*  
*outline on it)*  
*JC*

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS *Jim*

SUBJECT: Los Angeles Appearance

We have been preparing material for your appearance Saturday night in LA. Because of the audience -- party contributors who will have been eating and drinking for several hours -- and the occasion, we have intended mainly to provide light material, with maybe a page or two about energy for you to use at the end. Hamilton, Tim Kraft, Pat Caddell, and Jody have recommended this course.

Stu is now recommending very strongly that the speech be serious instead of humorous, discussing the difficulty of coping with problems such as energy and the Canal, and the reasons you have chosen the course you have.

Which approach do you want?

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THE WHITE HOUSE  
WASHINGTON  
October 18, 1977

Hamilton Jordan

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

RE: ANDY HOLT - PANAMA TREATY  
LETTER FROM FRED GREGG

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
✓	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
✓		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		LANCE
		SCHULTZE

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	H. CARTER
	CLOUGH
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	HUTCHESON
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	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

*Ham*  
*J*



Fred M. Gregg, Jr., CLU  
Executive Vice President - Marketing

Equitable Life Insurance Co.  
Home Office:  
1700 Old Meadow Road  
P.O. Box 900  
McLean, Virginia 22101

September 25, 1977

President Jimmy Carter  
The White House  
Washington DC

Dear Mr. President:

Two Sundays ago you and Rosalynn gave me an assignment to help with the Panama Canal Treaty in Tennessee. I proudly report I carried the "Message to Garcia!" Immediately I got in touch with W. C. Weaver, Jr., and put the finishing touches on his endorsement of The Treaty. Mrs. Carter had already laid the groundwork during Mr. Weaver's prior visit to The White House. We suggested to Jim Free the following people:

W. C. Weaver - Chairman, NLT Corporation  
Sam Fleming - Chairman, Trust Board of Third National Bank  
Winfield Dunn - Past Governor of Tennessee  
David K. (Pat) Wilson - Chairman, Financial Committee National  
Republican Party  
Victor Johnson - President, Aladdin Industries  
Dr. H. Franklin Paschall - Pastor, First Baptist Church of Nashville  
Past President, Southern Baptist Convention  
Matt Lynch - President, AFL-CIO of Tennessee (Buildings and Trade  
Council  
Mrs. Frances Preston - President, BMI  
Thad Cox - President, Bank of Knoxville  
Dortch Oldham - Past Chairman, Republican Party of Tennessee  
Dr. Lloyd Elam - President, Meharry Medical College  
Bracey Campbell - Nashville Banner

All of these invitees accepted and attended with the exception of Dr. Elam who had a conflict. Immediately following the September 21st briefing, Messrs. Weaver, Fleming, Wilson, Johnson, Lynch, Gov. Dunn and I went to the offices of Senators Baker and Sasser, asking their support of The Treaty. Senator Baker expressed an open mind, and I definitely feel Senator Sasser is in our camp.

Bill Weaver is a titan in the business circles in Tennessee, and, through The Treaty visits he has made to The White House, you have won over a great supporter. He can be a tremendous help to you in Tennessee.

Thank you for allowing me to help, and I will continue my efforts until The Treaty is ratified.

*W. C. Weaver*  
*to W.C. Weaver*  
Sincerely,

*Andy Holt - com*  
*Prof Pres U.S. Team*  
*Knoxville -*

*Fred*  
Fred M. Gregg, Jr.

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FMG/ieh

(703) 821-5400

THE WHITE HOUSE  
WASHINGTON

10-18-77

Sam:

Andy Holt has  
more influence on Sen.  
Baker than anyone  
else. He's now for the  
Treaty, & will help  
with Baker-guilety.  
(Former Pres. of  
U of Tenn)

J.C.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 18, 1977

MEMORANDUM FOR: FRANK MOORE

FROM: DAN TATE

SUBJECT: THE PRESIDENT'S MEETING WITH SENATOR BENTSEN

The overriding issue is natural gas and Bentsen's fear of an allocation program for intrastate gas. Privately, Bentsen is not nearly as concerned with any price restraints placed on interstate gas as he is with the political problem which would be created by an allocation program. The pricing issue is important primarily to producers. Allocation or supply is of primary interest to users both industrial and residential. He could probably accept intrastate regulation of pricing.

With regard to energy taxes, the key is getting the world price for "new new oil" and expanding the stripper well concept to marginal wells. Both issues are very important to the Independents. He is willing to compromise on COET and would accept a boiler tax in place of the user tax (Texas would pay 37% of all taxes under the oil and gas user tax as passed by the House). He strongly supports the guzzler tax and will help us on that issue in conference.

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for Preservation Purposes

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 18, 1977

MEMORANDUM TO THE PRESIDENT

FROM: PETER BOURNE **P.B.**

SUBJECT: DRUG ISSUES

You are familiar with the situation in Colombia and the matter of the Torrijos family member. Similar situations exist in other countries, particularly in Latin America.

Regarding the Torrijos family member, I had knowledge of that situation since 1974 and passed the information on to the NSC several months ago. This kind of information is sensitive, not merely because of foreign policy considerations but also because it involves such things as sealed indictments, and I believe it is against the law to reveal publicly the existence of a sealed indictment. Consequently I have kept to a minimum the extent to which I have put this type of information into writing.

Although fragmented, the knowledge I have is shared by people in the Justice/DEA/Intelligence community, some of whom may be opposed to your foreign policy with some of these other involved countries.

Perhaps you might want to consider taking some preemptive action as you did with Colombia or some other alternative course.

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for Preservation Purposes



THE WHITE HOUSE  
WASHINGTON

October 18, 1977

Jack Watson

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: The Vice President  
Stu Eizenstat  
Bob Lipshutz  
Landon Butler

RE: EAST AND GULF COAST LONGSHORE  
DISPUTE

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
	/	MONDALE
		COSTANZA
	/	EIZENSTAT
		JORDAN
	/	LIPSHUTZ
		MOORE
		POWELL
	/	WATSON
		LANCE
		SCHULTZE

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	CAB DECISION
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	BOURNE
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	/ BUTLER
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	H. CARTER
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	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
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	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.  
U.S. DEPARTMENT OF LABOR  
OFFICE OF THE SECRETARY  
WASHINGTON

*cc J. Watson  
Follow up - working  
E Ray  
J*

MEMORANDUM FOR: THE PRESIDENT  
FROM: RAY MARSHALL *for*  
Secretary of Labor  
SUBJECT: East and Gulf Coast Longshore Dispute

Status and Impact of the Dispute

As you know, on September 30, 1977, dock workers represented by the International Longshoremen's Association struck East and Gulf coast ports. The strike has continued to this date, and I am informed that there is little apparent likelihood of an immediate overall settlement.

The work stoppage has been selective, directed only against container and other technically advanced vessels. The boycott does not include military and certain "perishable" goods. In New Orleans, ILA locals have refused, until this Saturday, to handle work on all cargo except military. On Saturday, the New Orleans longshoremen were directed to return to work on the same selective basis as the other East and Gulf coast ports. A late Sunday evening report found two grain elevators and two ships working with little resistance from pickets. The expectation is by Monday morning all eight grain elevators in New Orleans will be operating and bulk ships will be unloaded.

I have been in contact with Bob Bergland about this situation. Prior to this Saturday's events, he informed me of potentially severe and lasting effect of a complete shutdown in New Orleans if it were permitted to continue through the end of the month. New Orleans is the major port for the export of corn and soybeans and I understand that October is the peak month for grain traffic. The potential effects of a strike include loss of export markets, adverse impact on our balance of trade, decline in farm prices, loss of crops, increases in unemployment, and a tie-up of shipping.

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Another potentially severe impact of the East and Gulf coast dispute is on the welfare of the Commonwealth of Puerto Rico. That island depends on waterborne trade from the U.S. mainland for much of its essential commodities. This trade is mainly conducted through containerized and other technically advanced vessels which are currently being boycotted in all East and Gulf coast ports. Cargoes which have left U.S. ports are currently being unloaded in Puerto Rico pursuant to court order. However, no further container vessels are leaving East and Gulf coast ports. Moreover, the future legal situation with regard to the unloading operations in Puerto Rico is uncertain.

Members of my staff were recently in New Orleans to discuss the impact of the strike with local officials and others affected by the stoppage. We are in continuing contact with other agencies of Government, including the Federal Mediation and Conciliation Service.

Despite this Saturday's positive developments, it is possible that the Taft-Hartley 80-day emergency injunction procedures may have to be invoked in this dispute. The purpose of this memorandum is to describe these procedures briefly, to indicate the major decisions that would be required, and to recommend action which is appropriate at this time.

#### Standards for Obtaining 80-Day Injunction

The court may grant the 80-day injunction if it is persuaded that the actual or threatened strike will imperil the national health or safety. The courts have not precisely defined the meaning of these words, and most work stoppages enjoined under the law have involved a variety of effects on national health or safety.

Some impact on national defense has been present in virtually every case. This has been true even where, as in the present case, there has been no direct interruption of military cargoes. Other factors which may be relevant include: effect on the supply of food or other vital commodities; special hardships of insular areas or particular segments of the population; unemployment; lost earnings; price impact; effect on trade and balance of payments; impact on foreign aid programs or foreign policy; congestion and dislocation of the Nation's transportation system; impact on our merchant marine fleet; interruption of the mails; and severe impact on the economy.

It is clear that a number of Federal agencies possess information which may bear upon these important matters. While some agencies are already monitoring the situation closely, it is recommended that each agency designate an individual who will be responsible for gathering all information within the agency and acting as a point of contact with the Department of Labor. This information will serve several purposes.

It will help in determining whether an injunction is appropriate or how broad an injunction may be necessary to protect the national health or safety. Based on this information, for example, it could be determined whether it is advisable or legally possible to limit the injunction to a single port or whether a dispute-wide injunction would be preferable.

Should an injunction be sought, this information, including the assessments of appropriate officials, would be included as evidence supporting the Government's case. The Government has, in the past, won almost all of its Taft-Hartley suits. It will be noted, however, that during the 1971 nationwide longshore dispute, an Illinois Federal Court denied the Government an injunction in a dispute involving a number of Great Lakes grain elevators. The court was not persuaded that the dispute met the statutory tests. Thus, it is imperative that information and assessments be as complete and carefully developed as possible when the Government seeks injunctions.

To avoid adverse impact on the bargaining, it is urged that prior to a Presidential decision, agency officials engaged in this effort refrain from any public statements concerning the likelihood of legal action seeking an injunction.

The Department of Labor proposes to maintain close contact with the Department of Justice, which would be responsible for presenting the Government's case in the courts, the Federal Mediation and Conciliation Service, and non-Federal officials having information concerning the impact of the strike.

#### Procedures for Seeking an Injunction

If the President determines that the national health or safety is imperiled, he may issue an Executive Order appointing a board of inquiry. The Board is responsible for reporting

on the issues involved in the dispute. It makes no determinations concerning the existence of an emergency, nor does it submit any recommendations. The President may determine when the Board must submit its report. The President must file a copy of the report with the FMCS and make it available to the public.

Upon receipt of the report, the President may ask the Attorney General to seek an injunction in the appropriate Federal court or courts.

If the injunction is granted, the Board must submit a second report to the President on the status of the negotiations at the end of 60 days.

The NLRB then conducts a secret ballot election on the employer's final offer within the next 15 days. The results must be certified and the injunction discharged at the end of 80 days. Upon discharge of this injunction, the President submits to the Congress a report containing any appropriate recommendations.

#### Conclusion

It is hoped that developments in this dispute will make it unnecessary to invoke the Taft-Hartley emergency disputes procedures. Should such action prove necessary, the Government should be prepared to act swiftly in order to minimize any adverse effect on the public interest.

THE WHITE HOUSE  
WASHINGTON  
October 18, 1977

Secretary Schlesinger  
Stu Eizenstat

The attached was returned in  
the President's outbox. It is  
forwarded to you for your  
information.

Rick Hutcheson

RE: PRODUCTIVITY DECREASE -  
APPALACHIAN REGION  
INDIVIDUAL COMPANIES WITH  
MARKED PRODUCTION DECREASES

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
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		COSTANZA
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	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
/	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



THE PRESIDENT HAS SEEN.

PRODUCTIVITY DECREASE - APPALACHIAN REGION

BITUMINOUS COAL PRODUCTION

6-22-77  
To Jim-  
cc Stu  
interesting  
JC

UNDERGROUND COAL PRODUCTION  
STATE OF WEST VIRGINIA

Year	Tonnage	% of 1967
1967	135,449,336	100.0
1968	128,410,089	94.8
1969	120,448,220	88.9
1970	115,983,233	85.6
1971	92,403,043	68.2
1972	101,041,695	74.6
1973	95,447,890	70.5
1974	82,186,189	60.7
1975	88,850,519	65.6

LOGAN DISTRICT PRODUCTION RECORD

Year	Tonnage	No. Emp.	Tons Per Emp./yr.
1967	13,932,730	4282	3253
1968	13,208,920	4115	3210
1969	11,772,990	4072	2891
1970	11,248,285	3835	2933
1971	9,462,300	4135	2288
1972	8,266,970	3002	2753
1973	7,261,550	3287	2209
1974	6,543,050	3403	1923
1975	7,252,950	4803	1510
1976	7,598,750	4569	1663

LOGAN DISTRICT STRIKE ANALYSIS

Year	No. of Strikes	% of 1967
1967	62	100.0
1968	76	122.6
1969	101	162.9
1970	96	154.8
1971	187	301.6
1972	112	180.6
1973	133	214.5
1974	203	327.4
1975	266	429.0
1976	234	377.4

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	1972	TPMD 1977	% OF CHANGE
1. Youngstown Mines Corp.-Dist. 17	11.81	4.30	-63.6
2. Bethlehem Mines Corporation:			
(a) Kayford-Nicholas Div.	-----	5.51	
(b) Kayford-Cabin Creek Div.	-----	2.90	
(c) Kayford-Boone Div.	-----	3.91	
(d) Appalachian Region Div.	-----	3.48	
(Kanawha & Boone Cos.W.Va.-Dist.17)			
3. Powellton Coal Co.			
Logan Co.W.Va.-Dist. 17	10.3	3.6	-65.1
4. Wheeling-Pittsburgh			
Logan Co. W.Va.-Dist. 17	9.6	3.1	-67.7
5. Amherst Coal Co.-#7 Mine			
Logan Co.W.Va.-Dist. 17	(1975) 7.62	5.6	-26.5
6. Pittston Coal Co.-Snap Creek Div.			
Logan Co.W.Va.-Dist. 17	12.0	3.7	-69.2 (Closed 6-20-77)
7. Westmoreland Coal Co.-Hampton Div.			
Logan Co. W.Va.-Dist. 17	21.3 to	5.9	-72.3
8. Semet-Solvay			
Allied Chamical Corp.-Caples Mine			
McDowell Co. W.Va.-Dist. 29	-----	1.1	(Currently being evaluated for acquisition by U.S. Steel)
9. Ittman Coal Co. -#3 Mine			
McDowell Co. W. Va.-Dist. 29	-----	4.5	

CONSOLIDATION COAL CO. - SOUTHERN MINES

MINE	A	B	C	D	E	F
1967	18.6	14.1	17.7	16.3	11.4	8.2
1977	10.2	8.3	8.2	7.2	7.5	6.2
% Decreased -----	45.2	40.4	53.7	55.8	34.2	24.4

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10/18/77

THE WHITE HOUSE  
WASHINGTON

Energy - Test of use all

Panama

Non prolif

B-1 Danny

Hosp costs

IFI - speaker - McMahon  
Inouye

CRBR

OCS / 4 yrs min wage

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10/18/77

VN → HR

NATO = <sup>STRONG</sup> EC / Japan

LDC - Young / Africa

Panama

SALT - CTB

Non - prolif & arms

Energy

Protectionism

Mid East

Southern Africa

Democratic strength

Siden - 3 Martini